

SUMTER COUNTY BOARD OF COMMISSIONERS
EXECUTIVE SUMMARY

SUBJECT: State Housing Initiatives Partnership (SHIP) Program Approval of Local Housing Assistance Plan (LHAP) for State FY 2010/2011 - 2011/2012 - 2012/2013 and execution of Certification and Resolution.

REQUESTED ACTION: Staff recommends approval

☐ Work Session (Report Only) **DATE OF MEETING:** 4/27/10
☒ Regular Meeting ☐ Special Meeting

CONTRACT: ☐ N/A Vendor/Entity: SHIP Funds
Effective Date: 7/1/2010 Termination Date: 6/30/2013
Managing Division / Dept: Housing Department

BUDGET IMPACT: \$ 0.00

☐ Annual **FUNDING SOURCE:** N/A
☐ Capital **EXPENDITURE ACCOUNT:** _____
☒ N/A

HISTORY/FACTS/ISSUES:

The SHIP (State Housing Initiatives Program) Grant is through a dedicated trust fund for housing. The funds are distributed through the Florida Housing Finance Corporation and are based on revenues from Documentary Stamps for all approved counties and entitlement cities in Florida. Every three years Sumter County is required to develop a new Local Housing Assistance Plan (LHAP) to administer the funds received.

The new LHAP consists of six strategies to assist the residents of Sumter County:

1) Emergency Repair - Homeowners can apply for up to \$15,000 to pay for repairs such as septic, roof, well, handicap accessible bathroom and ramps. Funds are provided in the form of a 0% interest loan payable over twenty years.

2) Rehab/Replacement - Homeowners can apply for up to \$85,000 to pay for repairs such as eliminating safety or health hazards and bringing electrical, plumbing and heat a/c units up to current standards. If the home repairs exceed 80% of the value of the residence, it will be replaced with a concrete block home featuring green building and barrier removal standards. Funds are provided in the form of a 0% interest loan payable over 40 years.

3) Down Payment Assistance - Applicants who have not owned a home in the past three years can apply for assistance with down payment and closing costs up to \$20,000 for a new or existing home. Funds are provided in the form of a 0% interest loan payable over 20 years.

4) Disaster Mitigation - The funds are only available for a state or federal declared disaster to assist homeowners with damages and immediate help to prevent further damage (i.e. installing tarps on roofs until they can be repaired). Funds up to \$25,000 are provided in the form of a 0% deferred payment loan for ten years.

5) Foreclosure Prevention - Homeowners can apply for up to \$5,000 to assist with bringing their mortgage current due to a financial hardship that is beyond the control of the applicant. Funds are provided in the form of a grant to reduce costs to qualified, eligible applicants.

6) Rental Deposits - Applicants can apply for security and utility deposits to assist with moving into a rental unit. Funds up to \$1200 are provided in the form of a 0% interest loan payable over two years.

The new LHAP will generate more revenue to assist more families with housing needs in Sumter County.

The plan was presented to the Affordable Housing Advisory Committee (AHAC) on April 8, 2010 and comments were positive with no changes requested for the required submission to Florida Housing Finance Corporation on May 2, 2010.

Staff is requesting the approval of the Local Housing Assistance Plan as well as approval and execution of the Certification and Resolution that accompany the plan.